

Storefront essay



**ASSIGN
BUSTER**

The first company for evaluation is E-Bay. com which uses a combinational business model of portal, storefront and auction to attract customers.

This business model enables the customers to track the rise and fall in prices of the products and services and offers various other technologies to make up the marketing and sell of the products. The variance in the price of the products makes it suitable to compete with the discount stores over the world and suitable options for purchasing of the product or service. Read about indirect competitors of Apple

The second company considered is Dell. com which uses storefront and portal business model to sell its products for getting the various products and services to the customers. This offers a fixed brand of price for the products which makes it acceptable to the customers worldwide.

Dell was an early and enthusiastic convert to the Internet, creating its first web site in 1994 and moving many of its business activities to the Internet ahead of its competitors. (Kraemer & Dedrick, 2001)The company witnessed that its direct model gave it a lead in selling online. Unlike indirect vendors such as Apple, IBM, HP and Compaq, Dell did not have to worry about channel conflict with resellers and distributors when it began selling online. Grandmas Treats' is suitable for taking up the storefront model for selling its products, similar to Dell. com.

The reasons would be as follows:

- Maintenance of its products price and brand

- The competition for its products sale would be of no use as the products incur a fixed price model which is not likely to change
- The illicit means of raising the price of the products must be avoided for the products. The extra software usage for the auction model would be expensive. The concept of dynamic pricing would be is not possible with the site-type model selected as in storefront and portal model. Price variations are not witnessed and the selected brand may have discounts but no variations in price.

It would save the customers from:

- Unnecessary price hikes
- Crude competition for the products
- Quality sacrificed at the cost of pricing
- An impression to get it at lower price and not to buy at the branded price
- The company would incur various costs